

Frequently Asked Questions

City of Minneapolis Process for Purchase of Residential Structures

April 3, 2015

1) When are offer to purchase documents due?

All Purchasers will have two weeks from the date of the open house to submit applications.

- **Open House #1 (Friday, March 27)** – applications are due by close of business on **April 10, 2015**
- **Open House #2 (Thursday, April 2)** – applications are due by close of business on **April 16, 2015**

Staff will continue to evaluate the process and make adjustments if needed.

2) What does an offer to purchase include?

All fields in the offer to purchase document need to be filled out, including:

- Purchaser information
- Project information
- Description of your general contractor and marketing plan
- Proforma showing how the rehab will be paid for and estimated costs of the project

Page 2 of the offer to purchase details attachments required. Please see the comments below for clarification:

- In lieu of the house plans, Purchasers should submit a description of their intended scope of work for rehab.
- Site plans are only required if a new garage, addition, or other changes to the site are proposed as a component of the scope of work.

Note that there may be additional drawings or details required by the [City of Minneapolis Building Permit and Site Plan Review process](#). Purchasers are responsible for researching requirements and considering associated costs.

3) How much should I offer?

Offers should be submitted for the posted purchase price; no more and no less.

4) Are there any special financing incentives for purchasing property through this program?

The City of Minneapolis will clear the property title and waive assessments and taxes up to the date of closing. There are additional financing programs that can assist buyers of homes rehabbed for ownership, as detailed in the [training PowerPoint](#) on slides 7-9, including the [Minnesota Homeownership Center website](#). There are also resources offered for developers (both for-profit and non-profit) through the [Twin Cities Community Land Bank](#).

5) Is it possible to access the building again after the scheduled open house?

Yes. Please send an e-mail to Roxanne.Kimball@minneapolismn.gov with the subject line "Open House for (Property Address)" and CPED will organize one additional viewing as needed. Additional viewings will be advertised on the website when scheduled and are open to all to attend.

6) Would offers that negotiate a bundled purchase be considered? For example, if a developer is interested in purchasing multiple properties?

All offers for property must be submitted through the established open house and offer to purchase process described on the [CPED website](#). In the event that there are properties that are marketed and receive no offers, CPED may consider a bundled purchase.

7) If there are multiple offers, how will they be evaluated?

Offers will be evaluated through a three step process.

First applications will be reviewed to determine if the minimum requirements (below) for application are met.

- Purchaser has or has partnered with a general contractor who has at least 2 years experience rehabbing vacant property in the City of Minneapolis.
- Purchaser has demonstrated financing for intended improvements.

Second, applying preference based on the type of occupancy of the unit:

- 1) Purchaser occupied (the purchaser intends to live in the home as their residence)
- 2) Owner occupied (purchaser intends to sell to an owner occupant)
- 3) Rental (purchaser intends to retain the property and lease it)

Third, if there are multiple proposals that meet minimum criteria and within a preference category, staff will evaluate proposals based on the following criteria and select the strongest proposal:

- General contractor experience
- Financial capacity
- Scope of work/rehab plan

8) What fees are paid by the City and what are the responsibilities of the Purchaser?

Upon purchase of the property, the Purchaser will be responsible for all future taxes, assessments, or similar fees, any vacant building fees required through the Regulatory Services [Vacant Building Registration program](#), and [building permit fees](#) which are shown on the following [table](#).

9) How will the house move of 704 31st Ave work and what will the City of Minneapolis pay for?

The City of Minneapolis is marketing 704 31st for a purchase price of \$1.00. Purchaser would be responsible for paying cost of the move to a vacant lot owned by the Purchaser or owned by the City of Minneapolis. If there is interest in moving the house to a lot owned by the City of Minneapolis, Purchaser should include the appraised value of purchasing the lot in their submittal. A current list of vacant lots available for purchase from the City of Minneapolis is [posted here](#).

10) Will the roof at 3522 Aldrich be inspected or are there requirements to replace windows at the property?

The City of Minneapolis provides Truth in Sale of Housing and Code Compliance reports for all properties, which identify code violations that require repair. Purchasers are responsible for any additional inspections that may be needed to ensure compliance with Residential Real Estate and Development [rehabilitation standards](#) that also apply to all properties.